

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

An Act Concerning Insurance for Churches and Nonprofit Organizations

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 24-A MRS §2607-B is enacted to read:

§ 2607-B. Church and nonprofit organization groups

A group of individuals may be insured under a policy issued to a church or nonprofit organization, which is deemed to be the policyholder, to insure members of that church or nonprofit organization. The policy is subject to the provisions of this section.

1. Eligibility. To be eligible for insurance under the policy a group of individuals must be members of the church or nonprofit organization, employees thereof or employees of members or one or more of the preceding or all of any class or classes thereof for the benefit of persons other than the employees.

2. Premiums. The premium for the policy must be paid from funds of the church or nonprofit organization or from funds contributed by the insured members specifically for their insurance or from both. Except as provided in subsection 3, a policy on which no part of the premium is to be derived from funds contributed by the insured members specifically for their insurance must insure all eligible members, except those who reject such coverage in writing.

3. Evidence of insurability. An insurer may exclude or limit the coverage on any person as to whom evidence of individual insurability is not satisfactory to the insurer.

Sec. 2. 24-A MRS §2805-B is enacted to read:

§ 2805-B. Church and nonprofit organization groups

A group of individuals may be insured under a policy issued to a church or nonprofit organization, which is deemed to be the policyholder, to insure members of that church or nonprofit organization. The policy is subject to the provisions of this section.

1. Eligibility. To be eligible for insurance under the policy a group of individuals must be members of the church or nonprofit organization, employees thereof or employees of members or one or more of the preceding or all of any class or classes thereof for the benefit of persons other than the employees.

2. Premiums. The premium for the policy must be paid from funds of the church or nonprofit organization or from funds contributed by the insured members specifically for their insurance or from both. Except as provided in subsection 3, a policy on which no part of the premium is to be derived from funds contributed by the insured members specifically for their insurance must insure all eligible members, except those who reject such coverage in writing.

3. Evidence of insurability. Except as provided in section 2736-C, section 2808-B and chapter 36, an insurer may exclude or limit the coverage on any person as to whom evidence of individual insurability is not satisfactory to the insurer.

Sec. 3. 24-A MRS §3008 is enacted to read:

§ 3008. Church and nonprofit organization groups

A group of individuals may be insured under a policy issued to a church or nonprofit organization, which is deemed to be the policyholder, to insure members of that church or nonprofit organization. The policy is subject to the provisions of this section.

1. Eligibility. To be eligible for insurance under the policy a group of individuals must be members of the church or nonprofit organization, employees thereof or employees of members or one or more of the preceding or all of any class or classes thereof for the benefit of persons other than the employees.

2. Premiums. The premium for the policy must be paid from funds of the church or nonprofit organization or from funds contributed by the insured members specifically for their insurance or from both. Except as provided in subsection 3, a policy on which no part of the premium is to be derived from funds contributed by the insured members specifically for their insurance must insure all eligible members, except those who reject such coverage in writing.

3. Evidence of insurability. An insurer may exclude or limit the coverage on any person as to whom evidence of individual insurability is not satisfactory to the insurer.

SUMMARY

This bill allows members of a church or nonprofit organization to qualify as a group for the purposes of purchasing insurance.